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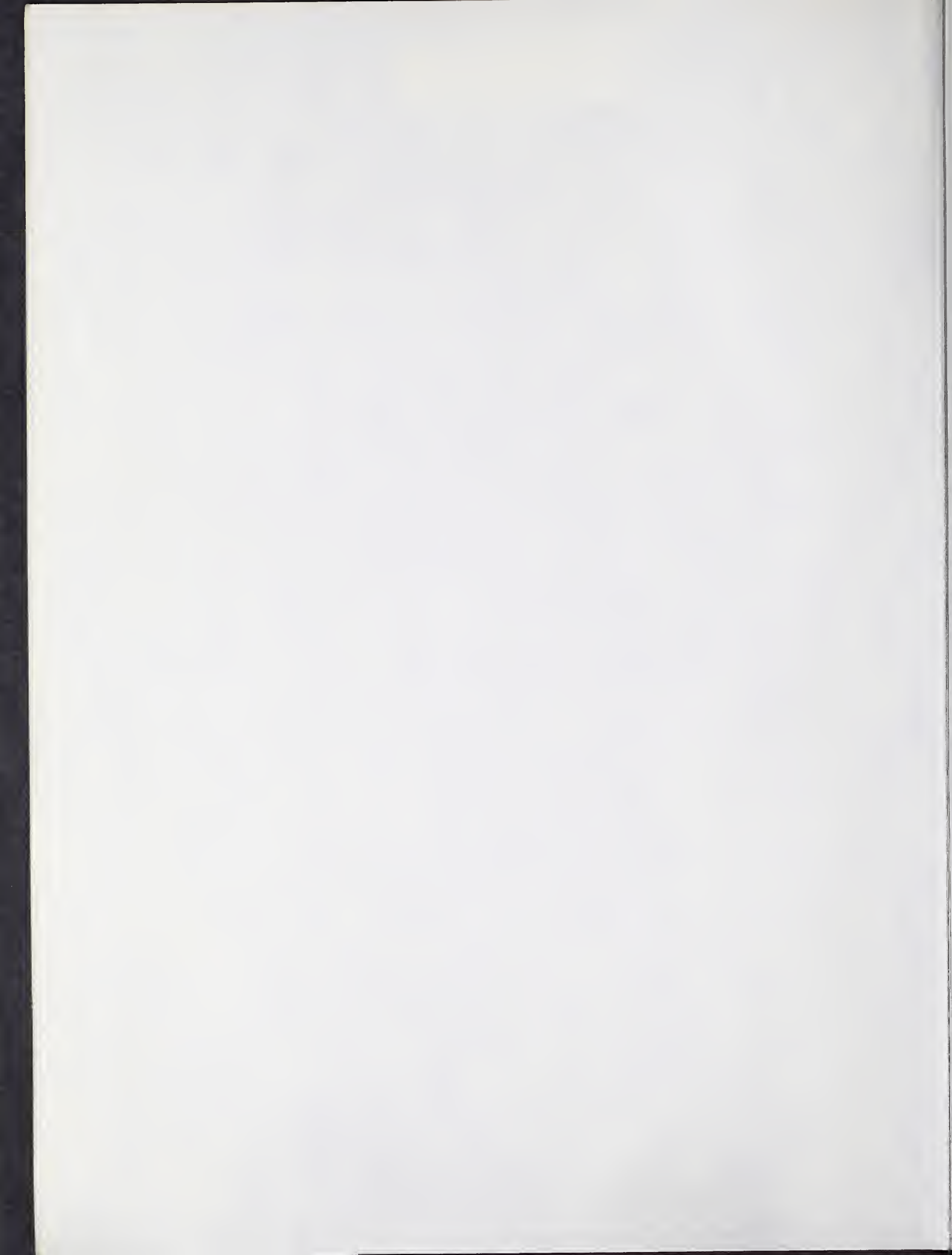


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(RULES SECTION)

ILLINOIS REGISTER

Rules and Regulations of Governmental Agencies

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INDEX DEPARTMENT
RULES SECTION

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ILLINOIS REGISTER

Published by the
State of Illinois



SPECIAL NOTICE

AS OF JANUARY 1, 1978 ALL AGENCIES ARE UNDER
THE ILLINOIS ADMINISTRATIVE ACT.

Illinois Department on Aging -- Emergency Adoption of Title V Notification
of Grant Award Form.

The Illinois Department on Aging proposes an emergency rule for the Notification of Grant Award forms for Funds under Title V of the Older Americans Act. The form notifies the grantee of the awarding of the funds and the terms and conditions under which they are awarded. The emergency rule is necessary because of the time frame imposed upon this program by the Federal government.

If any interested persons wish to present their views concerning this emergency rule, they may do so by sending written comments to the attention of:

Mrs. Ann Brass
Illinois Department on Aging
2401 West Jefferson Street
Springfield, Illinois 62706

The Department will consider all written comments received by the Department within 45 days, beginning on the date of publication of this Notice.

ILLINOIS REGISTER

Illinois Department on Aging

Notice of Grant Award

1. GRANTING OFFICE		2. GRANT NO.	3. AMEND. NO.
4. TYPE OF GRANT AWARDED Under Authority of P. L. _____ and subject to Pertinent DHEW & OHD Regulations and Policies Applicable to: <input type="checkbox"/> RESEARCH GRANT <input type="checkbox"/> DEMONSTRATION GRANT <input type="checkbox"/> TRAINING GRANT <input type="checkbox"/> SERVICE GRANT <input type="checkbox"/> OTHER _____ (Specify)		5. BUDGET PERIOD: FROM _____ THROUGH _____ 6. TOTAL PROJECT PERIOD: FROM _____ THROUGH _____ 7. TYPE OF GRANT <input type="checkbox"/> CONTINUATION <input type="checkbox"/> NEW <input type="checkbox"/> COMPETING <input type="checkbox"/> REVISION <input type="checkbox"/> SUPPLEMENT EXTENSION	
8. PROJECT/PROGRAM TITLE		9. PLANNING AND SERVICE AREA	
10. GRANTEE ORGANIZATION		11. PRINCIPAL INVESTIGATOR OR PROGRAM DIRECTOR	
12. APPROVED BUDGET PERSONNEL \$ FRINGE BENEFITS TRAVEL EQUIPMENT SUPPLIES CONTRACTUAL OTHER _____ TRAINEE STIPENDS (No. _____) DEPENDENCY ALLOWANCE TRAINEE TUITION & FEES DIRECT COSTS INDIRECT COSTS CALCULATED AT _____ % OR \$ _____ <div style="text-align: right;">Total Federal Approved Budget </div>		13. AWARD COMPUTATION A. TOTAL FEDERAL APPROVED BUDGET \$ _____ B. APPLICANT MATCH IN-KIND \$ _____ C. APPLICANT MATCH CASH \$ _____ D. TOTAL APPLICANT MATCH \$ _____ E. AMOUNT AWARDED \$ _____	
14. REMARKS			

17. Signature IDOA FACILITIES DEVELOPMENT MANAGER	15. APPLICANT FEIN	16. PAYEE FEIN
DATE		
18. Signature CHIEF, BUREAU OF PLANNING & FIELD SERVICES	20. SIGNATURE, DIRECTOR ILLINOIS DEPARTMENT ON AGING <div style="border: 1px solid black; height: 100px; width: 100%;"></div>	
DATE		
19. Signature CHIEF, BUREAU OF ADMINISTRATION & FISCAL CONTROL		
DATE	DATE _____	

This is your Notice of Grant Award and approval of your application for funding under Title V, Sections 501-505 of the Older Americans Act of 1965, as amended.

In accepting these funds, you have agreed to comply fully with all of the terms and conditions set forth in your application for this Award. Further you have specifically agreed to adhere to those Assurances set forth in Section VI of the Illinois Department on Aging's solicitation for Awards under Title V.

This further certifies that the accepting applicant understands that this grant award is made with the condition that the project is subject to audit and/or evaluation at the end of the first six (6) months of operation and to reduction at that time.

This further certifies that the accepting agency understands that no alterations of the terms specified on the reverse side or within the application for funds approved may be made without prior written permission of the Department of Aging.

ACCEPTANCE OF GRANT

I certify that I have read and accept the terms of this grant as outlined in this form and any attachments and in the approved application.

Name of Authorizing Official

Title

Date

Illinois Department on Aging -- Adoption of Title V Application (funds to acquire, alter, or renovate existing facilities, including the initial equipment of such facilities, to serve as Multi-Purpose Senior Centers).

The Illinois Department on Aging proposes a rule for the Application for Funds under Title V of the Older Americans Act. (Chap. XIII, Sub Chap. C, Part 1326). The form specifies information which must be submitted to the Department for consideration of grant awards.

If any interested persons wish to present their views concerning this rule, they may do so by sending written comments to the attention of:

Mrs. Ann Brass
Illinois Department on Aging
2401 West Jefferson Street
Springfield, Illinois 62706

The Department will consider all written comments received by the Department within 30 days, beginning on the date of publication of this Notice.

ILLINOIS DEPARTMENT ON AGING
FY 1977

TITLE V
OLDER AMERICANS ACT OF 1965

Submitted _____, 1977, by

Agency

Street Address

City

Zip Code

()

Telephone

To

Illinois Department on Aging
2401 West Jefferson Street
Springfield, Illinois 62706

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INTRODUCTION

WORKING DEFINITION OF SENIOR CENTER

APPLICATION FORMS

APPENDIX:

Suggested Review Criteria

Acts and Regulations

Title V of the Older Americans Act of 1965

Operating Principles of Senior Centers

INTRODUCTION

The purpose of Title V and its Regulations is to establish procedures for implementing Sections 501-505 of Title V of the Older Americans Act of 1976, as amended, which provide for the making of Grants and Contracts to pay part of the costs of acquiring, altering, or renovating existing facilities, including the initial equipment of such facilities, to serve as multi-purpose senior centers.

WORKING DEFINITION OF A SENIOR CENTER

A Senior Center is a community focal point on aging where older persons, as individuals or in groups, come together for services and activities which enhance their dignity, support their independence, and encourage their involvement in and with the community. As part of a comprehensive community strategy to meet the needs of older persons, Senior Center Programs take place within and emanate from a facility. These programs consist of a variety of services and activities in such areas as education, creative arts, recreation, advocacy, leadership development, employment, health, nutrition, social work and other supportive services. The center also serves as a community resource for information on aging, for training professional and lay leadership and for developing new approaches to aging programs.

Page 1

1. TYPE OF ACTION (Mark one) <input type="checkbox"/> Reapplication <input type="checkbox"/> Application		2. APPLICATION DATE Year month day 19		3. FEDERAL EMPLOYER IDENTIFICATION NUMBER: <div style="border: 1px solid black; height: 20px; width: 100%;"></div>																											
4. LEGAL APPLICANT/RECIPIENT a. Applicant Name : _____ b. Organization Unit : _____ c. Street/P.O. Box : _____ d. City : _____ e. County : _____ f. State : _____ g. ZIP Code : _____ h. Contact person (Name & telephone number) : _____																															
5. TITLE AND DESCRIPTION OF APPLICANT'S PROJECT 7. AREA OF PROJECT IMPACT (Names of cities, counties, states, etc.)			6. TYPE OF APPLICANT/RECIPIENT A—State H—Community Action Agency B—Interstate I—Higher Educational Institution C—Substate District J—Indian Tribe D—County K—Other (Specify): _____ E—City F—School District G—Special Purpose District Enter appropriate letter <input type="checkbox"/>																												
8. ESTIMATED NUMBER OF PERSONS BENEFITING:		9. TYPE OF APPLICATION A—New C—Revision E—Augmentation B—Renewal D—Continuation Enter appropriate letter <input type="checkbox"/>																													
10. PROPOSED FUNDING <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 10%;">a. Federal</td> <td style="width: 10%;">\$</td> <td style="width: 10%;"></td> <td style="width: 10%; text-align: right;">.00</td> </tr> <tr> <td>b. Applicant</td> <td></td> <td></td> <td style="text-align: right;">.00</td> </tr> <tr> <td>c. State</td> <td></td> <td></td> <td style="text-align: right;">.00</td> </tr> <tr> <td>d. Local</td> <td></td> <td></td> <td style="text-align: right;">.00</td> </tr> <tr> <td>e. Other</td> <td></td> <td></td> <td style="text-align: right;">.00</td> </tr> <tr> <td>f. Total</td> <td>\$</td> <td></td> <td style="text-align: right;">.00</td> </tr> </table>		a. Federal	\$.00	b. Applicant			.00	c. State			.00	d. Local			.00	e. Other			.00	f. Total	\$.00	11. CONGRESSIONAL DISTRICTS OF: <table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 50%;">a. APPLICANT</td> <td style="width: 50%;">b. PROJECT</td> </tr> </table>		a. APPLICANT	b. PROJECT	12. TYPE OF CHANGE (For 9c or 9e) A—Increase Dollars F—Other (specify): _____ B—Decrease Dollars C—Increase Duration _____ D—Decrease Duration E—Cancellation Enter appropriate letter(s) <input type="checkbox"/> <input type="checkbox"/> <input type="checkbox"/>	
a. Federal	\$.00																												
b. Applicant			.00																												
c. State			.00																												
d. Local			.00																												
e. Other			.00																												
f. Total	\$.00																												
a. APPLICANT	b. PROJECT																														
15. THE APPLICANT CERTIFIES THAT: a. To the best of my knowledge and belief, data in this preapplication/application are true and correct, the document has been duly authorized by the governing body of the applicant and the applicant will comply with the attached assurances if the assistance is approved. b. If required by OMB Circular A-95 this application was submitted, pursuant to instructions therein, to appropriate clearinghouses and all responses are attached: <div style="display: flex; justify-content: space-around; align-items: flex-end;"> <div style="text-align: center;"> (1) (2) (3) </div> <div style="text-align: center;"> No response <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto;"></div> </div> <div style="text-align: center;"> Response attached <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto;"></div> <div style="border: 1px solid black; width: 30px; height: 30px; margin: 0 auto;"></div> </div> </div>																															
16. CERTIFYING REPRESENTATIVE: <table style="width: 100%;"> <tr> <td style="width: 40%;">a. Typed Name and Title</td> <td style="width: 30%;">b. Signature</td> <td style="width: 30%;">c. Date Signed</td> </tr> <tr> <td>_____</td> <td>_____</td> <td>Year month day</td> </tr> </table>						a. Typed Name and Title	b. Signature	c. Date Signed	_____	_____	Year month day																				
a. Typed Name and Title	b. Signature	c. Date Signed																													
_____	_____	Year month day																													

SECTION I - REMARKS (Please reference the proper item number from Section I,
if applicable)

PROJECT APPROVAL INFORMATION

SECTION II

Item 1.

Does this assistance request require State,
local, regional, or other priority rating?
____ Yes ____ No

Name of Governing Body _____

Priority Rating _____

Item 2.

Does this assistance request require State,
or local advisory, educational or health
clearances? ____ Yes ____ No

Name of Agency or Board _____

(Attach Documentation)

Item 3.

Does this assistance request require clear-
inghouse review in accordance with OMB
Circular A-95? ____ Yes ____ No

(Attach Comments)

Item 4

Does this assistance request require State,
local, regional or other planning approval?
____ Yes ____ No

Name of Approving Agency _____

Date _____

Item 5

Is the proposed project covered by an
approved comprehensive plan?
____ Yes ____ No

Check one: State ____

Local ____

Regional ____

Location of Plan _____

Item 6

Will the assistance requested serve a
Federal installation? ____ Yes ____ No

Name of Federal Installation _____

Federal population benefiting from
Project _____

Item 7

Will the assistance requested be on Federal
land or installation? ____ Yes ____ No

Name of Federal Installation _____

Location of Federal Land _____

Percent of Project _____

Item 8

Will the assistance requested have an im-
pact or effect on the environment?
____ Yes ____ No

See instruction for additional information
to be provided.

Item 9

Will the assistance requested cause the dis-
placement of individuals, families,
businesses, or farms? ____ Yes ____ No

Number of:

Individuals _____

Families _____

Businesses _____

Farms _____

Item 10

Is there other related Federal assistance
on this project previous, pending, or
anticipated? ____ Yes ____ No

See instructions for additional informa-
tion provided.

ILLINOIS REGISTER

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CONSTRUCTION
SECTION III

1. SITES AND IMPROVEMENTS _____ Not Required _____ Attached as exhibits
Applicant intends to acquire the site through:
_____ Eminent domain _____ Negotiated purchase _____ Other means (specify)
2. TITLE OR OTHER INTEREST IN THE SITE IS OR WILL BE VESTED IN:
_____ Applicant _____ Agency or institution operating the facility
_____ Other (specify)
3. INDICATE WHETHER APPLICANT/OPERATOR HAS:
_____ Fee simple title _____ Leasehold interest _____ Other (specify)
4. IF APPLICANT OPERATOR HAS LEASEHOLD INTEREST, GIVE THE FOLLOWING INFORMATION:
 - a. Length of lease or other estate interest _____,
and number of years to run _____
 - b. Is lease renewable? _____ Yes _____ No
 - c. Current appraised value of land \$ _____
 - d. Annual rental rate \$ _____
5. ATTACH AN OPINION FROM ACCEPTABLE TITLE COUNSEL DESCRIBING THE INTEREST APPLICANT/OPERATOR HAS IN THE SITE AND CERTIFYING THAT THE ESTATE OR INTEREST IS LEGAL AND VALID.
6. WHERE APPLICABLE, ATTACH SITE SURVEY, SOIL INVESTIGATION REPORTS AND COPIES OF LAND APPRAISALS.
7. WHERE APPLICABLE, ATTACH CERTIFICATION FROM ARCHITECT ON THE FEASIBILITY OF IMPROVING EXISTING SITE TOPOGRAPHY.
8. ATTACH PLOT PLAN.
9. TARGET DATES FOR:
Bid Advertisement _____ Contract Award _____
Construction Completion _____ Occupancy _____
10. DESCRIPTION OF FACILITY: Attached as exhibits
Drawings - Attach any drawings which will assist in describing the project.
Specifications - Attach copies of completed outline specifications.
(If drawings and specifications have not been fully completed, please attach copies or working drawings that have been completed.)

SECTION. IV

PROPOSED METHOD OF FINANCING NON-FEDERAL SHARE

1. <u>Grantee Share</u>	\$
<u>a. Securities</u>	
<u>b. Mortgages</u>	
<u>c. Appropriations (By Applicant)</u>	
<u>d. Bonds</u>	
<u>e. Tax Levies</u>	
<u>f. Non-cash</u>	
<u>g. Other (Explain)</u>	
<u>h. TOTAL - Grantee share</u>	
2. <u>Other Shares</u>	
<u>a. State</u>	
<u>b. Other</u>	
<u>c. Total Other Shares</u>	
3. <u>TOTAL</u>	

REMARKS

PROGRAM NARRATIVE (Attach - See Instructions)

APPLICANT PROCEDURES FOR SECTION I

Applicant will complete all items in Section 1. If an item is not applicable write "NA". If additional space is needed, insert an asterisk "*", and use the remarks section on the back of the form. An explanation follows for each item:

1. Mark appropriate Box.
2. Date application is prepared.
3. Employer identification number of applicant as assigned by Internal Revenue Service.
4. Legal name of applicant/recipient, name of primary organizational unit which will undertake the assistance activity, complete address of applicant, and name and telephone number of person who can provide further information about this request.
5. Brief title and appropriate description of project. For notification of intent, continue in remarks section is necessary to convey proper description.
6. Mostly self-explanatory. "City" includes town, township or other municipality.
7. Governmental unit where significant and meaningful impact could be observed. List only largest unit or units affected, list it rather than subunits.
8. Estimated number of persons directly benefiting from project.
9. Use appropriate code letter. Definitions are:
 - A. New. A submittal for the first time for a new project.
 - B. Renewal. An extension for an additional funding/budget period for a project having no projected completion date, but for which Federal support must be renewed each year.
 - C. Revision. A modification to project nature or scope which may result in funding change (increase or decrease).
- D. Continuation. An extension for an additional funding/budget period for a project the agency initially agreed to fund for a definite number of years.
- E. Augmentation. A requirement for additional funds for a project previously awarded funds in the same funding/budget period. Project nature and scope unchanged.
10. Amount requested or to be contributed during the first funding/ budget period by each contributor. Value of in-kind contributions will be included.
- 11a. Self explanatory.
- 11b. The district(s) where most of actual work will be accomplished. If city-wide or State-wide, covering several districts, write "city-wide" or "State-wide".
12. Self explanatory.
13. Self explanatory.
14. Self explanatory.
- 15b. List clearinghouses to which submitted and show in appropriate blocks the status of their responses. For more than three clearinghouses, include in remarks section. All written comments submitted by or through clearinghouses must be attached.
16. Name and title of authorized representative of legal applicant.

INSTRUCTIONS

SECTION II

Negative answers will not require an explanation unless the Federal agency requests more information at a later date. Provide supplementary data for all "Yes" answers in the space provided in accordance with the following instructions.

Item 1 - Provide the name of the governing body establishing the priority system and the priority rating assigned to this project.

Item 2 - Provide the name of the agency or board which issued the clearance and attach the documentation of status or approval.

Item 3 - Attach the clearinghouse comments for the application in accordance with the instructions contained in Office Management and Budget Circular No. A-95. If comments were received from the clearinghouse they should be submitted with this application.

Item 4 - Furnish the name of the approving agency and the approval date.

Item 5 - Show whether the approved comprehensive plan is State, local or regional, or if none of these explain the scope of plan. Give the location where the approved plan is available for examination and state whether this project is in conformance with the plan.

Item 6 - Show the Federal population residing or working on the federal installation who will benefit from this project.

Item 7 - Show the percentage of the project work that will be conducted on federally owned or leased land. Give the name of the Federal installation and its location.

Item 8 - Briefly describe the possible beneficial and/or harmful impact on the environment. If impact is anticipated, explain what action will be taken to minimize the impact. Federal agencies will provide separate instructions if additional data is needed.

Item 9 - State the number of individuals, families, businesses, or farms this project will displace. Federal agencies will provide separate instructions if additional data is needed.

Item 10 - Show the Federal Domestic Assistance Catalog number, the program name, the type of assistance, the status and amount of each project where there is related previous, pending, or anticipated assistance. Use additional sheets if needed.

INSTRUCTIONS

SECTION IV

Section C. Proposed Method of Financing Non-Federal Share.

Line 1 a-g - Show the source of grantee's share. If cash is not immediately available, specify the actions completed to date and those actions remaining to make cash available under Section E Remarks. Indicate also the period of time that will be required after execution of the grant agreement to obtain the funds. If there is a non-cash contribution, explain what this contribution will be.

Lin 1 h - Show the total of Line 1 a-g.

Line 2 a - Show the amount that will be contributed to State or state agency, only if the applicant is not a state agency. If there is a non-cash contribution, explain what the contribution will consist of under Section E Remarks.

Line 2b - Show the amount that will be contributed from other sources. If there is a non-cash contribution, explain what this contribution will consist of under Section E Remarks.

Line 2 c - Show the total of Lines 2 a and 2 b.

Line 3 - Enter the totals of Line 1 h and Line 2 c.

Section E. Remarks.

Make any remarks pertinent to the project and provide any other information required by these instructions or the grantor agency. Attach additional sheets, if necessary.

SECTION V

PROGRAM NARRATIVE

Prepare the program narrative statement in accordance with the following instructions for all new grant programs. Requests for supplemental assistance should be responsive to Item 5b only. Requests for continuation or refunding or other changes of an approved project should be responsive to Item 5c only.

1. OBJECTIVE AND NEED FOR THIS ASSISTANCE.

Pinpoint any relevant physical, economic, social, financial, institutional, or other problems requiring a solution. Demonstrate the need for assistance and state the principal and subordinate objectives of the project. Supporting documentation or other testimonies from concerned interests other than the applicant may be used. Any relevant data based on planning studies should be included or footnoted.

2. RESULTS OR BENEFITS EXPECTED.

Identify results and benefits to be derived. For example, include a description of who will occupy the facility and show how the facility will be used. For land acquisition or development projects, explain how the project will benefit the public.

3. APPROACH.

- a. Outline a plan of action pertaining to the scope and detail of how the proposed work will be accomplished for each grant program. Cite factors which might accelerate or decelerate the work and your reason for taking this approach as opposed to others. Describe any unusual features of the project such as design or technological innovations, reductions in cost or time, or extraordinary social and community involvement.
- b. Provide for each grant program monthly or quarterly quantitative projections of the accomplishments to be achieved, if possible. When accomplishments cannot be quantified, list the activities in chronological order

to show the schedule of accomplishments and their target dates.

- c. Identify the kinds of data to be collected and maintained, and discuss the criteria to be used to evaluate the results and success of the project. Explain the methodology that will be used to determine if the needs identified and discussed are being met and if the results and benefits identified in Item 2 are being achieved.
- d. List each organization, cooperator consultant, or other key individuals, who will work on the project along with a short description of the nature of their effort or contribution.

4. GEOGRAPHIC LOCATION

Give a precise location of the project and area to be served by the proposed project. Maps or other graphic aids may be attached.

5. IF APPLICABLE, PROVIDE THE FOLLOWING INFORMATION:

- a. Describe the relationship between this project and other work planned, anticipated, or underway under the Federal Assistance listed under Part II, Section A, Item 10.
- b. Explain the reason for all requests for supplemental assistance and justify the need for additional funding.
- c. Discuss accomplishments to date and list in chronological order a schedule of accomplishments, progress or milestones anticipated with the new funding request.

SECTION VI

ASSURANCES

The Applicant hereby assures and certifies that he will comply with the regulations, policies, guidelines, and requirements as they relate to the application, acceptance and use of Federal funds for this Federally assisted project. Also the Applicant assures and certifies with respect to the grant that:

1. It possesses legal authority to apply for the grant; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body, authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required.
2. It will comply with Title VI of the Civil Rights Act of 1964 (P.O.88-352) and in accordance with Title VI of that Act, no person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity for which the applicant receives Federal financial assistance and will immediately take any measures necessary to effectuate this agreement.
3. It will comply with Title VI of the Civil Rights Act of 1964 (42 USC 2000d) prohibiting employment discrimination where (1) the primary purpose of a grant is to provide employment or (2) discriminatory employment practices will result in unequal treatment of persons who are or should be benefiting from the grant-aided activity.
4. It will comply with the requirements of the provisions of the Uniform Relocation Assistance and Real Property Acquisitions Act of 1970 (P.O.91-646) which provides for fair and equitable treatment of persons displaced as a result of Federal and federally assisted programs.
5. It will comply with the provisions of the Hatch Act which limit the political activity of employees.
6. It will comply with the minimum wage and maximum hours provisions of the Federal Fair Labor Standards Act, as they apply to hospital and educational institution employees of State and local governments.
7. It will establish safeguards to prohibit employees from using their positions for a purpose that is or gives the appearance of being motivated by a desire for private gain for themselves or others, particularly those with whom they have family, business, or other ties.
8. It will give the grantor agency or the Comptroller General through any authorized representative the access to and the right to examine all records, books, papers, or documents related to the grant.
9. It will comply with all requirements imposed by the Federal grantor agency concerning special requirements of law, program requirements, and other administrative requirements approved in accordance with Office of Management and Budget Circular No. A-102.

SUGGESTED CRITERIA FOR REVIEW OF TITLE V APPLICATIONS
FOR FY 1977 GRANTS

1. Use Grant for renovation or alteration instead of acquisition, if possible.
 - A. Due to the time frame involved in FY 1977 Grants, it is recommended that acquisitions not begin until FY 1978 Grants become available.
2. Set priority for Renovation or Alteration Grant to comply with standards for accessibility and ability to serve handicapped individuals (Section 504).
3. Geographic location and number of elderly served in the multi-purpose center.
4. Cash or in-kind support from Agency.
5. Agency service to:
 - A. Low Income.
 - B. Minorities.
 - C. Isolated Elderly.

6. Written commitments from Agencies to use the facility to deliver services to the elderly.
7. Title V applicants included in Area Plan of Area Agencies.
8. Facility for which funds are requested is adaptable for serving as a multi-purpose center.
9. Application should be technically correct.
10. Agency capability for service and compliance with Grant conditions:
 - A. Experience in service to the elderly.
 - B. Staff experience and qualifications.
 - C. Hiring of older people.
 - D. Size.
 - E. Monority agency.
11. Sponsor's history in participating in cooperative planning and its willingness to link up with other aging components.
12. Sponsor's community relations and evidence of community support.
13. Utilization of new and existing resources in organizing service delivery.

For an applicant to be eligible for a Title V Grant, the following Acts or Regulations must be complied with:

1. LOCAL REGULATORY CODES AND THE LIFE SAFETY CODE - Re: Sec. 1326.7(a).
2. DAVIS-BACON ACT - Re: Sec. 1326.7(b).
3. EQUAL EMPLOYMENT OPPORTUNITY - Re: Sec. 1326.7 (b).
4. UNIFORM RELOCATION ACT - Re: Sec. 1326.7 (d)(1).
5. FLOOD PROTECTION ACT - Re: Sec. 1326.7(d)(2).
EXECUTIVE ORDER ON FLOOD PLAINS - Re: Sec. 1326.7(d)(4).
6. NATIONAL HISTORIC PRESERVATION ACT - Re; Sec. 1326.7(d)(3).
7. ARCHITECTURAL BARRIERS ACT - Re: Sec. 1326.8(b).
8. NON-DISCRIMINATION ON BASIS OF HANDICAP - Re: Sec. 1326.17.

The above Acts or Regulations will be on file with the area agency.

TUESDAY, JULY 5, 1977

PART II



**DEPARTMENT OF
HEALTH,
EDUCATION, AND
WELFARE**

**Office of Human Development
Administration on Aging**

**MULTIPURPOSE
SENIOR CENTERS**

**Acquisition, Alteration, or Renovation
of Facilities; Final Regulations**

Final Regulations

RULES AND REGULATIONS

Title 45—Public Welfare

CHAPTER XIII—OFFICE OF HUMAN DEVELOPMENT, DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SUBCHAPTER C—ADMINISTRATION ON AGING, OLDER AMERICANS PROGRAMS

PART 1326—MULTIPURPOSE SENIOR CENTERS

Final Regulations

AGENCY: Administration on Aging, Office of Human Development (OHD), Department of Health, Education, and Welfare.

ACTION: Final regulations.

SUMMARY: The final regulations revise program requirements for grants for acquiring, altering, or renovating existing facilities to serve as multipurpose senior centers under sections 501-505 of Title V of the Older Americans Act of 1965, as amended by Pub. L. 93-29. Interim regulations were published and the Secretary invited public comment on those regulations and stated that they would be revised as warranted by the comments received.

EFFECTIVE DATE: July 5, 1977.

FOR FURTHER INFORMATION CONTACT:

M. Gene Handelman, Director, Office of State and Community Programs, Administration on Aging, Office of Human Development, Department of Health, Education, and Welfare, Washington, D.C. 20201 (202-245-0011).

SUPPLEMENTARY INFORMATION: Interim regulations for the Multipurpose Senior Center Program (Title V of the Older Americans Act of 1965, as amended) were published in 45 CFR Part 911 the FEDERAL REGISTER of September 10, 1976, and are being amended and transferred to 45 CFR Part 1326. The interim regulations were issued to permit initiation of the Title V program under funding appropriated by Congress for this purpose for use during the July 1 through September 30, 1976, Transition Quarter. Under the interim regulations a total of 549 awards were made for the acquisition, alteration, or renovation of facilities to serve as multipurpose senior centers. The provision of the interim regulations will continue to be effective for the duration of the project period for those grants which were made under the Transition Quarter appropriation.

At the time of publication of the interim regulations, interested parties were invited to submit within 60 days, their comments, suggestions, or objections regarding the regulations. A total of 48 comments were received on the interim regulations. Subsequently, a draft revision of these regulations developed with consideration of comments on the interim regulations was circulated to State and area agencies on aging, nutrition project agencies, national organizations, and other interested parties. An additional 26 comments were received in response to this draft revised version of the regulations. The comments received sub-

stantially supported the provisions of the revised version of the regulations. In view of the favorable response it is determined that there is sufficient reason at this time to issue final regulations in order to avoid any delay in implementing the program.

The following statement summarizes the substance of the 74 comments and the Department's response. All operational procedures for making awards under Title V beginning in Fiscal Year 1977 and each Fiscal Year thereafter will be governed by the regulations set forth below. It is also noted that regulations for multipurpose senior centers, formerly published in Part 911 have been removed from Chapter IX of Title 45 of the Code of Federal Regulations and relocated in Chapter XIII which covers all programs administered by the Office of Human Development, within the Department of Health, Education, and Welfare.

SUBPART A—PURPOSE

The purpose of these regulations is to establish procedures for implementing the provisions of sections 501-505 of Title V of the Older Americans Act of 1965, as amended, hereafter referred to as "Title V." The program is administered by the Administration on Aging in the Office of Human Development.

Title V is designed to provide facilities that will serve as a focal point in communities for the development and delivery of social services and nutritional services designed primarily for older persons. The programs to be conducted in such facilities shall be coordinated with State and Area Agencies on Aging, which are charged under the Older Americans Act, with the responsibility of developing comprehensive systems of services for older Americans. The Title V program will be an integral part of overall planning and service delivery scheme of State and Area Agencies on Aging.

SUBPART B—DEFINITIONS

The purpose of the definitions provided in this subpart is to provide a clear understanding of the terms which are used throughout the regulations. Definitions are provided for the particular terms in this subpart because proper understanding of these terms will assure more efficient operations of the program.

The issue of greatest concern expressed in comments had to do with the inconveniences that would occur because of the prohibition on additional square footage to an existing facility, as stated in the interim regulations. Many organizations pointed out that the Department was effecting an unsound economic policy by encouraging the acquisition of facilities when in many cases community groups could run effective programs in their current facilities if they were allowed relatively inexpensive building additions. It was further noted that this policy presented a particular disadvantage in rural communities where it is difficult to find existing facilities for purchase. In response to these concerns, we have included as a part of the definition for "altering or renovating", terminology which allows for expansion of existing

facilities up to double the square footage of the original facility.

Section 1326.2(d) adds a definition of "structural change" which was not defined previously. The reason for this is that Section 1326.9 in Subpart E stipulates that all structural changes undertaken in the course of alteration or renovation shall comply with all applicable local or State ordinances, laws, or building codes or when these are absent, with Federal building codes. The definition of structural change provided here conforms with the definition provided in Federal Building codes.

SUBPART C—GRANTS AUTHORIZED

The purpose of including this subpart in the regulations is to identify the eligible applicants which may be considered for funding under this part; and to provide such eligible applicants with necessary information as to the procedures for making and receiving awards.

The basis for including the provisions of this subpart is the belief that clarification as to eligible applicants and procedures for making and receiving awards will facilitate the proper administration of the program.

The issue which received the second greatest number of comments was the manner in which the Commissioner on Aging would make grant awards. During the Transition Quarter, awards were made directly by the Commissioner to community agencies and organizations, with consideration of the recommendations made by State and area agencies on aging. This method was found to create administrative difficulties. Further, this procedure did not assure the desired level of coordination of Title V projects with the comprehensive and coordinated system of services for older persons being established under Titles III and VII of the Act as Congress has intended. After careful review of the issues involved, the Department concluded that while authority does not exist under the current law to administer Title V as a formula grant program, it is within the authority of the Commissioner, under section 202(a)(9) of the Act, to permit State Agencies to be grantees for purposes of this part. Such procedures assure a closer linkage with existing programs currently administered by State agencies on aging under Titles III and VII of the Act. Comments which were received strongly endorsed the concept of permitting State agencies to be grantees for funds under this part. Accordingly, § 1326.3(b) permits State Agencies on Aging to be Title V grantees.

Procedures for implementing this policy indicated in § 1326.4(b) provide that the State agency will be given first priority to apply for funds reserved for the entire State. Section 1326.4(c) and (d) describe procedures for awards made by the Commissioner directly to the local applicant in those States where the State Agency on Aging does not declare such intent to apply. When this occurs, procedures for making awards directly to the local agency or organization are essentially the same as those indicated in the interim regulations. The Commis-

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sioner will make awards to eligible agencies and organizations in accord with recommended priorities established by State and Area Agencies.

SUBPART D—ASSURANCES REQUIRED FOR GRANTS

This subpart is included in the regulations for the purpose of providing guidance to State Agencies on Aging and to all other applicants on the specific responsibilities which they must assume if they choose to apply for funds under this part. The basis for providing separate sets of criteria for State Agencies on Aging and for all other applicants is the fact that State Agencies on Aging are given priority consideration for application and award of funds under this part; and have responsibilities which are more extensive than the responsibilities of other applicant agencies or organizations.

Section 1326.5 specifies assurances applicable to State Agencies as applicants. A total of 10 organizations, mostly State Agencies, objected to the provision in the interim regulations that an equitable portion of Title V funds reserved for each State be used in each planning and service area of the State. Final regulations in Section 1326.5(a) maintain the principle that the State Agency must assure that each planning and service area in the State will receive an equitable portion of the funds awarded to carry out the purposes of this part; but add the provision that, where justification exists, the State Agency may request from the Commissioner an exception to this requirement for a given planning and service area.

Comments were received from 9 State Agencies concerning the requirement in § 1326.5(b) that all contracts made by the State Agency within the State for acquisition, alteration, or renovation be approved prior to their issuance by the Area Agencies within the planning and services area where the contract is to be made. Many of these commentors pointed out that the role of the Area Agency is to advise the State, not to approve its action. The Department has reached the conclusion that Area Agencies should retain approval rights, as specified in this section. The exercise of such a function is consistent with the responsibilities assigned Area Agencies in Title III section 304(c) (1) of the Older Americans Act to provide for the establishment of a comprehensive and coordinated service system within its planning and service area.

Section 1326.5(c) requires that in planning and service areas that contain rural areas, plans will be made to meet the special needs of the scattered older persons, especially low income and minority older persons. Some objections were received to the interim regulations because they did not place an emphasis on awards to rural areas. The revised revision of the regulations which was circulated to the aging network for comment established a particular priority for rural areas. However, 6 objections were received from urban community organizations and area agencies to the

establishment of a rule which would single out rural communities for special priority. Section 1326.5(c) of these final regulations accordingly notes the importance of responding to the needs of rural areas; but does not establish any priority for awards to rural areas over urban areas.

Section 1326.5(b) requires that multi-purpose senior center facilities funded under Title V be made part of the Comprehensive Program on Aging operated by the Area Agency, in those planning and service areas where Area Agencies exist. The new policy on this point is also carried over in 1326.6(b) which also requires that Title V projects be included in the Comprehensive Area Program on Aging in those States where grant awards are made directly to local organizations by the Commissioner.

SUBPART E—ASSURANCES APPLICABLE TO FACILITIES FINANCED UNDER THIS PART

The purpose of including this subpart is to assure that all applicant agencies or organizations are aware of the responsibilities which they assume relative to any facility acquired, altered, or renovated with funds awarded under this part. The basis of including these provisions is that the Act imposes such responsibilities.

Some comments were received, relative to the lack of clarity in specific assurances for facilities acquired, altered, and renovated in the interim regulations. These regulations restructure the requirements in three broad sections to effect greater clarity as to which assurances apply to all facilities (§ 1326.7), to facilities to be acquired (§ 1326.8), and to facilities to be altered or renovated (§ 1326.9). While most of the assurances stated in the interim regulations have been retained, there are several revisions. Section 1326.7 sets forth the requirement to comply with other applicable Federal laws and Executive Orders. Additionally, § 1326.9 requires that all structural changes, as defined in § 1326.2(d) shall comply with local or State ordinances, or in the absence of such ordinances, with Federal standards. The interim regulations required consultation with the Department of Housing and Urban Development with regard to the technical adequacy of any proposed alteration or renovation. The experience obtained during the Transition Quarter indicated that this policy led to unreasonable delays in final approval of facility plans and specifications. With the increase in the Fiscal Year 1977 appropriation to four times the amount available in the interim quarter, it was anticipated that these problems would increase. After consultation with the Office of the Secretary of Housing and Urban Development, as required in section 502(b) (2) of the Act, the Department has agreed to approve any proposed alteration or renovation which complies with State or local ordinances, or in their absence, with Federal standards.

SUBPART F—GENERAL REQUIREMENTS

The purpose of including this subpart is to provide a general summary of other

requirements governing the operation of the program which are not treated elsewhere in the regulations. The basis for inclusion of these requirements is to assure that potential applicants will understand the basic Federal requirements necessary for participation in the Title V program.

Two comments were received that urged reconsideration of the policy stated in the interim regulations that disallowed Federal participation in any cost associated with the operation of the multi-purpose senior center including, rent, maintenance, personnel, and supplies. In particular, both commentors objected to the prohibition on rental costs. This issue was reviewed and we believe that there is no justification in the Act for allowing rental costs under section 501-505 of Title V. The program specifically provides only for paying part of the costs of acquisition, alteration or renovation of existing facilities, including the cost of initial equipment of such facilities. Accordingly, final regulations in Section 1326.10(d) reiterate the unallowability of rental costs.

Consistent with the new policy effected in these regulations of giving State Agencies on Aging a priority to apply for funds under this part for the entire State, a new provision has been added in Section 1326.12 which permits applicants to request a portion of the funds awarded for the purpose of administering the grant. These funds are provided for administrative costs, incurred in regard to Title V operations only, and not to other activities unrelated to this program. We received three comments which posed the question as to whether or not Area Agencies may receive these funds, since they may be engaged in Title V project administrative or monitoring activities even though such projects are funded directly by the State Agency. Our response is that any agency receiving a grant under Title V may retain an amount, approved by the Commissioner, for administering such grant. Additionally, this subpart brings to the attention of applicants the requirement to comply with the provisions of OMB Circular A-95 concerning State and Area-wide clearinghouses. On May 4, 1977, HEW regulations, Title 45, Part 84, governing nondiscrimination on basis of handicap were published in the FEDERAL REGISTER. These regulations implement the provision of section 504 of the Rehabilitation Act of 1973, Pub. L. 93-112. Section 1326.17 of these final Title V regulations require assurance by applicants of their intent to comply with the provisions of section 504 and the implementing regulations and guidelines.

SUBPART G—CONTRACT AUTHORITY

The purpose of including this subpart is to identify the fact that the Commissioner is authorized to make contracts to carry out the purposes of this part, separate and apart from his authority to make grants as described in the other subparts of these regulations. The Act provides such authority to the Commissioner; and therefore the regulations must address this point.

Accordingly, the interim regulations for Multipurpose Senior Centers presently in 45 CFR Part 911 are revised and final regulations for Multipurpose Senior Centers are added in 45 CFR Part 1326 in the manner set forth below.

NOTE.—The Administration on Aging has determined that this document does not require preparation of an Inflation Impact Statement under Executive Order 11821 and OMB Circular A-107.

(Catalog of Federal Domestic Assistance Program Number: 13.639 Special Programs for the Aging—Title V Multipurpose Senior Centers.)

Dated: June 3, 1977.

ARTHUR S. FLEMMING,
Commissioner on Aging.

Dated: June 3, 1977.

ARABELLA MARTINEZ,
*Assistant Secretary for
Human Development.*

Approved: June 27, 1977.

JOSEPH A. CALIFANO, Jr.,
Secretary.

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1326.23 Authority.

AUTHORITY: Pub. L. 89-73, 79 Stat. 218-226 (42 U.S.C. 3001 et seq.), as amended by sec. 501, Pub. L. 93-29, 87 Stat. 49-51; sec. 112, Pub. L. 94-135, 89 Stat. 720 (42 U.S.C. 8041-3041e).

Subpart A—Purpose

§ 1326.1 Purpose.

The purpose of these regulations is to establish procedures for implementing sections 501-505 of Title V of the Older Americans Act of 1965, as amended, which provide for the making of grants and contracts to pay part of the costs of acquiring, altering or renovating existing facilities, including the initial equipment of such facilities, to serve as multipurpose senior centers.

Subpart B—Definitions

§ 1326.2 Definitions.

In addition to the definitions set forth in §§ 1320.2 and 1321.2 of this chapter, the following definitions are applicable for the purpose of this part.

(a) "Acquiring" means obtaining ownership of an existing facility.

(b) "Altering or renovating" means modifications upon or in connection with an existing facility which are necessary for its effective utilization as a multipurpose senior center, including restoring, repairing, and expanding which is not in excess of double the square footage of the original facility, and all such related physical improvements.

(c) "Multipurpose senior center" means a community facility for the organization and provision of a broad spectrum of services (including provision of health, social, and educational services and provision of facilities for recreation activities) for older persons.

(d) "Structural change" means any changes to the load bearing members of a building.

Subpart C—Grants Authorized

§ 1326.3 Eligible applicants.

(a) Eligible applicants include units of general purpose local government or other public or nonprofit private agencies or organizations, including State or Area Agencies on Aging.

(b) In order to assure that multipurpose senior center facilities supported under this part are integrated with the comprehensive and coordinated service system established under Title III and Title VII of the Act, State Agencies on Aging will be given priority in the application and award of funds.

§ 1326.4 Procedures for making awards.

(a) From the amount appropriated for multipurpose senior centers under section 501 of the Act each fiscal year, the Commissioner shall reserve an amount for making awards under this part for each State. The amount reserved for each State shall be determined in keeping with the principles which guide the allocation of funds made each year under section 303 of the Act, except that total funds awarded to any State in any fiscal year shall not exceed ten percent of the funds appropriated by the Congress for the nation for that fiscal year.

(b) As set forth in § 1326.3(b) of this part, State Agencies will be given first priority to apply for the funds reserved

for the State. Upon the request of the Commissioner each fiscal year, each State shall indicate in writing its intent to apply for the entire amount of funds reserved for the State.

(c) In those cases where the State Agency notifies the Commissioner that it will not apply for the funds reserved for that State:

(1) The State Agency will be asked to designate an amount, within the total amount reserved for the State, for each planning and service area in the State;

(2) Eligible agencies and organizations in the State will be notified of the funds designated under this part for each planning and service area by the State and Area Agencies on Aging; and

(3) Applications from eligible agencies or organizations within the State shall be forwarded to the Commissioner on Aging through Area and State Agencies on Aging, and will be ranked by such agencies by planning and service area, in order of their recommended priority for funding before being forwarded to the Commissioner. The Commissioner will make awards to such eligible agencies and organizations in accord with these recommended priorities, provided all Title V requirements contained in this part are met.

(d) If eligible agencies or organizations fail to request funds within a time limit set by the Commissioner each fiscal year up to the level of the funds reserved for a planning and service area or a State, the Commissioner may make grants of such funds to eligible agencies or organizations in other planning and service areas of the State or other States, as appropriate.

(e) All requests for funds under this part shall be on forms prescribed for this purpose by the Commissioner.

Subpart D—Assurances Required for Grants Under This Part

§ 1326.5 Assurances required when State agencies are applicants.

Where the State Agency makes application for funds under this part for the entire State, the State Agency must assure that:

(a) Each planning and service area in the State will receive an equitable portion of the funds awarded to carry out the purposes of this part, except that, where justification exists, the State Agency may request in writing from the Commissioner an exception to this requirement for a given planning and service area;

(b) Where Area Agencies on Aging exist, they will be involved, together with their Advisory Council, in determining the most feasible facilities to serve as multipurpose senior centers and the most qualified local agencies to operate the programs in such centers in their jurisdictions; and that their approval will be obtained before any contract is awarded in their jurisdiction as a result of a grant under this part;

(c) In planning and service areas that contain rural areas, plans will be made

to meet the special needs of the scattered populations of older persons, especially the low income and minority older persons;

(d) In assisting facilities under this part in urban areas, priority consideration will be given in locating such facilities in those parts of such areas having high concentrations of low-income and minority older persons;

(e) A multipurpose senior center program will be developed and operated in any facilities assisted under this part;

(f) The multipurpose senior center programs operated in any facility assisted under this part will be made part of the Comprehensive Program of the Area Agency on Aging where such programs exist; and

(g) Any agency or organization which will operate a multipurpose senior center program in a facility assisted under this part will be required to develop a plan designed to obtain written commitments from other public and private nonprofit agencies to use the facility to deliver services to older persons or contribute resources to expand the program of the center.

§ 1326.6 Assurances required for all other applicants.

(a) In those cases where the State Agency elects not to apply for the funds reserved for the State, other eligible agencies or organizations in the State may submit applications to the Commissioner which provide adequate assurances that:

(1) The facility for which funds are requested is adaptable for serving as a multipurpose senior center;

(2) A multipurpose senior center program will be operated in the facility;

(3) The agency or organization which will operate the multipurpose senior center program in the facility for which funds are requested is qualified to operate such a program;

(4) The facility for which funds are requested is located so as to be accessible to a high proportion of minority and low-income older persons; and

(5) The agency or organization which will operate the multipurpose senior center assisted under this part will develop a plan designed to obtain written commitments from other public and private nonprofit agencies to use the facility to deliver services to older persons or to contribute resources to expand the program of the center.

(b) For such applications, the Area Agency on Aging, if applicable, will also be required to assure that the points in paragraph (a) (1-5) of this section will be met. In addition, the Area Agency will be asked to assure that the multipurpose senior center program proposed for the facility will be made part of the Comprehensive Program of the Area Agency on Aging.

Subpart E—Assurances Applicable to Facilities Financed Under This Part

§ 1326.7 Assurances applicable to all facilities.

(a) The applicant shall assure that any facility for which funds are awarded

under this part shall comply, before the multipurpose senior center program is operated in such facility, with all applicable State and local health, fire, safety, zoning, and sanitation codes. With special regard to life/safety conditions, work will comply with the provisions of the National Fire Protection Association 101 Life Safety Code for the applicable building occupancy classification or State and local codes, whichever is the more stringent.

(b) The applicant, in order to comply with the requirements of the Davis-Bacon Act and other mandatory Federal labor standards, shall assure that HEW Requirements for Federally Assisted Construction Regarding Labor Standards and Equal Employment Opportunity, Form HEW-514 (July 1976) are included in all construction contracts for alteration and renovation of facilities. For the purpose of this part, the term "construction" is limited to altering or renovating existing facilities.

(c) The applicant shall assure that if a facility to be acquired, altered or renovated will be shared with other age groups, that funds under this part will be used only for that portion of the facility that will be used by older persons. Where the same floor space is to be shared with different age groups, funds under this part may be used proportionately for acquiring, altering, or renovating the facility only to the extent that such floor space will be used by older persons.

(d) The applicant shall assure that the applicable requirements contained in the following statutes and executive order are satisfied:

(1) Uniform Relocation Act, Pub. L. 91-646;

(2) Flood Protection Act, Pub. L. 93-234;

(3) National Historic Preservation Act, Pub. L. 89-665; and

(4) Executive Order on Flood Plains, E.O. 11988.

§ 1326.8 Special assurances applicable to facilities to be acquired.

(a) The applicant shall assure that there are no existing facilities in the community suitable for leasing as a multipurpose senior center.

(b) The applicant shall assure that any facility to be acquired under this part will conform with the Architectural Barriers Act of 1968 (41 CFR 101-17 703).

(c) The applicant shall assure that the facility will be used for the purposes for which it is acquired for not less than ten years after the date acquired.

(d) The applicant shall assure that the facility will not be used, and is not intended to be used for sectarian instruction or as a place for religious worship.

(e) The applicant shall assure that sufficient funds will be available to meet the non-Federal share of the cost of purchase of the facility.

(f) The applicant shall assure that sufficient funds will be available when purchase is completed, for effective use of the facility for the purpose for which it is being purchased.

§ 1326.9 Special assurances applicable to structural changes in the altering or renovating of facilities.

Where structural changes will be undertaken in the course of altering or renovating a facility, the applicant shall assure compliance concerning all applicable local or State ordinances, laws, or building codes. In the absence of such codes, such structural changes must conform to Chapter 23 Of the Uniform Building Code, or Article 7 or the Basic Building Code, or Chapter 12 of the Standard Building Code.

Subpart F—General Requirements

§ 1326.10 Federal and non-Federal participation.

The Commissioner is authorized to pay up to 75 percent of the costs of acquiring, altering or renovating facilities to serve as multipurpose senior centers. The non-Federal share of proposed costs under this part shall be identified by the applicant in the application.

§ 1326.11 Unallowable expenditures.

Federal financial participation, and the appropriate non-Federal share, may not be used for any of the following:

(a) New construction or the completion of a partially completed facility;

(b) The purchase of land not related to the acquiring of an existing facility;

(c) Expanding of a facility in excess of double the square footage of the original facility; and

(d) Any cost associated with the operation of the multipurpose senior center, including rent, maintenance, personnel and supplies.

§ 1326.12 Administrative costs.

Applicants are authorized to be reimbursed for administrative costs associated with administering grants under this part. Such costs must be set forth in the proposal.

§ 1326.13 Grantee administrative requirements.

All of the provisions of 45 CFR Part 74 apply to grants awarded under this part.

§ 1326.14 A-95 Clearinghouse requirements.

All applications submitted under this part are subject to requirements of Part I, OMB Circular A-95.

§ 1326.15 Reports and records.

(a) Agencies or organizations receiving funds under this part shall make such reports in such form and containing such information as the Commissioner may determine.

(b) Agencies or organizations receiving awards shall maintain such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

§ 1326.16 Civil rights.

The applicant shall assure that all activities undertaken under this part shall conform to the Civil Rights Act of 1964 and all applicable policies and pro-

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cedures established relating to such Act. In addition, the applicant shall develop and implement an affirmative action plan in the area of employment, and the development and implementation of a plan designed to provide maximum opportunity for participation in the service programs operating out of the center by low-income and minority persons.

§ 1326.17 Nondiscrimination on basis of handicap.

The applicant shall assure that the requirements set forth in sec. 504 of the Rehabilitation Act of 1973 and HEW regulations (45 CFR, Part 84) and guidelines are met.

§ 1326.18 Monitoring activities.

Agencies or organizations which receive awards shall establish monitoring procedures which will assure that any activity for which a grant is made under this part will be carried out in keeping with the provisions of the application as approved by the Commissioner.

§ 1326.19 Recapture of payments applicable to acquired facilities.

If, within ten years after acquiring a facility under this part, either the owner of the facility ceases to be a public or nonprofit private agency or organization, or the facility ceases to be used for the purposes for which it was acquired, the Department shall be entitled to recover from the agency or other owner of the facility an amount, which bears to the then value of the facility, or so much thereof as constituted an approved project award or awards, the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds. Such value shall be determined by agreement of the parties or by action brought in the

United State District Court for the district in which such facility is situated. Release by the Department from recapturing the payment may occur if the facility as originally acquired is no longer adequate as a setting to provide the type and level of services now required by older persons in the community, and therefore the facility, as originally acquired, will be sold at a price, determined as reasonable by the Department, and that such funds resulting from the sale of the original facility will be used to purchase another facility in the community which meets the standards of this part.

§ 1326.20 Notification of action taken on proposals.

Applicants will be notified in writing by issuance of a "Notice of Grant Awarded" of the final action taken by the Commissioner on each application. For those applications approved by the Commissioner, this notification shall set forth the amount of funds awarded, and shall constitute for such amounts the incumbrance of Federal funds for such proposal on the date of the award.

§ 1326.21 Project period.

Except for those instances where an exception is approved by the Commissioner based on an inability to complete a project within the project period due to circumstances beyond the control of a grantee:

(a) The period of a grant award approved in any fiscal year will not exceed 12 months following the effective date of the "Notice of Grant Awarded" relating to such grant; and

(b) All activities relating to the acquiring, altering or renovating of a facility under this part shall be completed,

and the multipurpose program operational in such facility within 12 months following the effective date of the grant relating to that activity.

§ 1326.22 Payments.

Upon approval of any application for a grant or contract under this part, the Commissioner shall reserve, from any appropriation available therefore, the amount of such grant or contract. The amount so reserved may be paid in advance or by way of reimbursement, and in such installments consistent with progress in altering or renovating a facility, as the Commissioner may determine. The Commissioner's reservation of any amount under this section may be amended by him, either upon approval of an amendment of the application or upon revision of the estimated cost of altering or renovating the facility.

Subpart G—Contract Authority

§ 1326.23 Authority.

(a) The Commissioner is authorized to make contracts to carry out the purposes of this part with any agency or organization to pay not to exceed 75 per centum of the costs of such program, subject to the ten per centum maximum payments in any State in any fiscal year.

(b) Any contract under this part shall be entered into in accordance with and shall conform to all of the relevant regulations relating to this title as well as to all other applicable laws, regulations and Department policy.

(c) Payments may be made in advance or by way of reimbursement, and in such installments and on such conditions as the Commissioner may determine.

[FR Doc.77-18844 Filed 7-1-77; 8:45 am]

OPERATING PRINCIPLES OF SENIOR CENTERS

1. The Senior Center shall establish and have a written statement of purposes and goals consistent with the basic philosophy of Senior Centers. These shall be used to govern the direction and character of its program relative to an aging population and its defined service area.
2. The Senior Center shall be organized to achieve its purposes and goals, consistent with the Center's philosophy.
3. The Senior Center shall have linkages with and participate in planning organizations and programs as an integral part of the network of community services, relating to aging in general and, specifically, in its service area. It shall perform a public information and community education function.
4. A Senior Center shall initiate, facilitate and/or provide a program of quality services and activities consistent with its stated goals and objectives. This shall be done with, by, and on behalf of older persons, as individuals or in groups, in order to meet the needs and desires of aging persons in the Center's service area.
5. A Senior Center shall be staffed and administered by competent, ethical, and qualified personnel capable of providing essential services. It shall establish and maintain policies and procedures which effectively contribute to the implementation of its goals.
6. Through the use of sound fiscal practices and compliance with legal requirements, the Senior Center shall manage its fiscal affairs so as to pursue the fulfillment of its purposes, goals, and objectives.
7. The Senior Center shall keep accurate, current, and complete records required for Center operation and accountability. It shall prepare and circulate reports to demonstrate and interpret the degree to which it has satisfied its purposes, goals, and objectives.
8. The Senior Center facility and its program(s) shall be designed, located, and/or constructed and equipped so as to promote the effective access and conduct of its services and activities and to protect the health, safety, and comfort of its participants, staff, and the public.
9. A Senior Center shall have or be part of an evaluation system which will identify the results and impact of its programs on individuals, groups, and the community in order to assure improved performance, appropriate planning, enhanced community support, more positive images of both aging persons and Senior Centers.

Department of Insurance Rule 9.19 dealing with improper claims practices was promulgated by the Department of Insurance in order to implement Section 154.3 of the Illinois Insurance Code (Ill. Rev. Stat., 1975, Ch. 73, para. 766.3). Since its inception the Rule has defined the standards imposed by this statute.

Public Act 80-926, effective October 1, 1977 amends the Illinois Insurance Code with respect to improper claims practices. It adds Sections 154.5 through 154.8 and repeals Sections 154.1 through 154.4. It was necessary to repeal these Sections in order to avoid the duplication which would have otherwise resulted from the addition of the new Sections.

The repeal of Section 154.3 has rendered Departmental Rule 9.19 inoperative. This has created the immediate need for reimplementing the Rule to correspond to the new statutory provisions regarding improper claims practices. Therefore, the Department of Insurance has reimplemented Rule 9.19 under Sections 154.5 and 154.6.

The absence of a rule to implement the Sections of the Illinois Insurance Code dealing with the improper claims practices of insurance companies has created an emergency situation, constituting a threat to the public interest. Therefore, pursuant to Section 5(b) of the Illinois Administrative Procedure Act (Ill. Rev. Stat., 1975, Ch. 127, para. 1005(b)) the Department is adopting this Rule immediately. No hearing will be called on the Rule. In accordance with Section 6(c)(2) of the Illinois Administrative Procedure Act (Ill. Rev. Stat., 1975, Ch. 127, (1006(c)) this Rule is effective immediately upon filing with the Secretary of State. The Department will undertake appropriate measures to make known this emergency Rule to all companies affected by it.

The Department of Insurance notes that the reimplementation of Rule 9.19 on an emergency basis poses no disadvantages to insurance companies which must comply with it, since the Rule implements only those new statutory provisions which duplicate the repealed statute.

The entire text of Rule 9.19 and all modifications thereto follow.

ILLINOIS DEPARTMENTAL REGULATIONS

ARTICLE IX

PROVISIONS APPLICABLE TO ALL COMPANIES

Rule 9.19. (Improper Claims Practice).

Section 1. Authority.

This Rule is promulgated by the Director of Insurance under Section 401 of the Illinois Insurance Code, which empowers the Director "to make reasonable rules and regulations as may be necessary for making effective . . ." the insurance laws of this State. The purpose of this Rule is to implement Sections ~~154.3~~ 154.5 and 154.6 of the Illinois Insurance Code.

Section 2. Scope.

This Rule shall apply to any company licensed to do an insurance business in this State that is transacting the kind or kinds of business described as class 2 (b) or class 3 (e) of Section 4 of the Illinois Insurance Code. This Rule shall apply to all claim activities occurring on or after ~~July 1, 1974~~ January 1, 1978 to all pertinent policy forms on file with the Illinois Insurance Department on that date, and to all applicable policy forms filed after that date.

Section 3. Examinations.

The company's claim files are subject to inspection by the Director of Insurance or by his duly appointed designees.

In order that the designated personnel can reconstruct the company's activities:

- a. all communications, transactions, notes, and work papers shall be contained in the file;
- b. all communications and transactions are to be dated; and
- c. all notes and work papers contained in the file must be in such detail that all events can be reconstructed.

Section 4. [Implements Section ~~154.3(a)~~ 154.6 (a), (l), (m), (o) of the Illinois Insurance Code.]

- A. Any statement, written or otherwise, requiring that an insured complete a proof of loss in less time than is provided in the policy contract, is misleading and is not to be made. There can be no denial by the company for failure to exhibit the property without proof of demand by the company and unfounded refusal

by the insured to do so.

- B. Any statement, written or otherwise, requiring that a liability claimant complete a proof of loss, an accident description, a release or claim for damages, and that ~~ineates~~ indicates his rights may be impaired if such a form is not completed within a specified time, is misleading and is not to be made.
- C. Any statement requiring that an insured give written notice of loss within a specified time, and that seeks to relieve the company of its obligations under its policy if such a time limit is not complied with, is not to be made, unless such a statement is based upon the insured's unfounded refusal to give a written notice.
- D. A company shall not require any insured to sign a release on any first party claim that may be interpreted as releasing the company from additional further contractual obligations.
- E. Advance charge deductions (e.g., towing and storage charges) may not be made unless excessive charges have resulted from the insured's own volition. Advance charge deductions, if made, must be itemized and documented with reasons and dollar amount for each such deduction.
- F. Claim payments involving more than one coverage, or involving a disputed settlement, or involving both, must contain a statement setting forth benefits. Such statements shall be in sufficient detail that the insured, the claimant, or an authorized representative of either can reasonably understand the benefits included within the claim payment.
- G. In any case where there is no dispute concerning one or more elements of the claim, an offer of settlement for such undisputed elements shall be made without prejudice to either party in spite of the existence of disputes about other elements of the claim.

Section 5. [Implements Section ~~154.3-(b)~~ 154.6 (b) of the Illinois Insurance Code.]

The term "pertinent communications" shall mean all communications that, regardless of the source, are relevant to the handling of the claim.

Section 6. [Implements Section ~~154.3-(e)~~ 154.6 (c), (h), (i), (m), (o) of the Illinois Insurance Code.]

- A. The term "investigation" is defined as all activities of the company related directly or indirectly to the determining of liabilities under the coverages afforded by the policy. This shall include, but not be limited to, a bona fide effort to communicate with all insureds and claimants within 10 calendar days after a notifi-

cation of loss. Evidence of a bona fide effort must be maintained in the file. Notification given to an agent of an insurer shall be notification to the insurer. The investigation shall be deemed concluded when the company affirms or denies liability.

- B. The term "settlement of claims" is defined as all activities of the company related directly or indirectly to the determining of the extent of damages that are due under coverages afforded by the policy. This shall include, but not be limited to, the requiring or preparing of repair estimates.
- C. An unreasonable delay to pay automobile collision claims on a first party basis exists when a median payment period is in excess of 40 calendar days.
- D. If a first party physical damage automobile claim remains unpaid for more than 40 calendar days from the date reported, the insurer shall provide a reasonable written explanation for the delay to parties concerned in the matter. The procedure shall be repeated each 30 calendar days thereafter until the claim is paid, unless the delay is caused by external factors that are beyond the company's control. Any letter written shall contain the following statement:

"Should you wish to take this matter up with the Illinois Insurance Department, they maintain a Public Services Division to investigate complaints at Springfield, Illinois 62767."

- E. There exists an unreasonable delay to pay automobile property damage liability claims when a median payment period is in excess of 60 calendar days.
- F. If an automobile property damage liability claim remains unsettled in excess of 60 calendar days from the date reported, the insurer shall provide a reasonable written explanation for the delay to parties concerned in the matter. This procedure shall be repeated each 30 calendar days thereafter until the claim is paid, unless the delay is caused by external factors that are beyond the company's control. Any letter written shall contain the following statement:

"Should you wish to take this matter up with the Illinois Insurance Department, they maintain a Public Services Division to investigate complaints at Springfield, Illinois 62767."

- G. The median period will be measured from date of notification to date of final payment. Notification given to an agent of an insurer shall be notification to the insurer.
- H. The company shall affirm or deny liabilities on first or third party claims within a reasonable time, and shall make payments within 30 days of affirmation

of liability.

Section 7. [~~Implements Section 154.6-(d)~~ 154.6 (d), (h)
of the Illinois Insurance Code.]

- A. When the insurance policy provides for the adjustment and settlement of first party automobile total losses on the basis of actual cash value or replacement with other of like kind and quality, one of the following methods must apply:

THE COMPANY MAY ELECT TO OFFER
A REPLACEMENT VEHICLE.

- (1) A replacement vehicle is defined as a specific, comparable, and available vehicle that is both furnished and paid for by the company, with no additional cost to the insured other than his deductible.

In the event the insured elects a cash settlement instead of such replacement vehicle, the company need pay only the amount it would have otherwise paid for the replacement vehicle, including all applicable taxes and license fees. As a condition precedent to this method of settlement, the company must first offer the replacement vehicle to the insured and the insured must reject the offer. Both the offer and rejection must appear in an examination of the file.

THE COMPANY MAY SELECT A CASH SETTLEMENT

- (2) A cash settlement must be based upon the retail value of the automobile as published in a generally recognized source that is uniformly and regularly use by the company. Any deviation from this procedure must be supported by documentation that gives detailed information about the automobile's condition. Any deductions from retail valuations must be measurable, discernible, itemized, and specified concerning dollar amount, and they shall be appropriate in amount.

If the retail value of the specific automobile is not published in the generally recognized source, which is used uniformly and regularly by the company, the company must secure retail value dealer quotations and base the settlement upon them. Any deviation from this practice must be supported by documentation giving particular information about the automobile's condition.

The source of the dealer quotations must be maintained in the claim file.

- (3) The company shall provide a reasonable written explanation to the concerned parties when cash settlement offers, as set forth in (1) and (2), are made. The explanation must specify the dollar amount of the base figure and identify the actual source. Any additions or subtractions from the base dollar figure must be identified and explained.

B. Unreasonable Travel

- (1) The insured or claimant cannot be required to travel unreasonably to inspect a replacement vehicle, nor can the insured or claimant himself be required to locate a replacement vehicle.
- (2) The insured or claimant cannot be required to travel unreasonably to obtain a repair estimate or to have his vehicle repaired at a specific repair shop that is recommended by the company.

- C. If partial losses are settled on the basis of an estimate prepared by the company, or on the basis of any estimate prepared at the company's direction, regardless of the actual source of that estimate, the company must supply the insured or claimant with a copy of the estimate upon which the settlement is based. The company must supply the insured or claimant with the name of a repair shop that will effect repairs within the amount of settlement.

If the company is not able to provide the name of such repair shop, and reasonable additional costs for repair or replacement are incurred, the amount of these costs in excess of the company's appraisal price shall be at the expense of the company.

D. Betterment

- (1) Betterment deductions are allowed if measurable and if the claim file contains all information about such deduction. Such particulars shall be itemized and specified as to dollar amount and shall be appropriate for the amount of the betterment deduction.
- (2) There is no obligation that the insured or claimant supply parts for replacement.

- E. (1) In those cases where liability is reasonably clear, the company may not engage in the practice of advising liability claimants to make claims under their own policies.

- (2) The failure to effect settlement, under applicable first party insurance policies, on the basis that responsibility for payment should be assumed by other persons or insurers, is an unfair claims practice.

F. If an offer of settlement is less than the amount that is demanded, or if the claim is denied, the file must contain the basis of the lower offer or the denial. The company must provide a reasonable written explanation of the basis for the lower offer or the denial to parties concerned in the matter. The explanation must contain the following statement:

"We will, of course, be available to you to discuss the position we have taken. However, should you wish to take up this matter with the Illinois Department of Insurance, they maintain a Public Services Division to investigate complaints at Springfield, Illinois 62767."





ALAN J. DIXON
Secretary of State

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